

Consequently, calls to paging subscribers are both intrastate and interstate in nature. In fact, calls to paging subscribers can change from intrastate to interstate in nature depending upon the location of the mobile unit. When a call arrives at the NCMRS carrier switching facility, many NCMRS carriers are unable to determine whether the call terminated is interstate or intrastate in nature; all calls delivered to the NCMRS provider's switching facility, whether intrastate or interstate in nature, appear identical. Thus, the intrastate and interstate components of calls terminated by NCMRS provider are inseverable.

III. INTERCONNECTION FOR THE ORIGINATION AND TERMINATION OF INTERSTATE INTEREXCHANGE TRAFFIC

37. The Commission tentatively concluded that CMRS providers should recover access charges from interexchange carriers ("IXCs") when traffic passes to a CMRS provider's network. Arch supports the Commission's conclusion.

38. The Commission notes that most NCMRS networks do not interconnect directly with the networks of IXCs, but rather, are interconnected via the LEC's facilities. Arch suggests that, regardless of whether NCMRS interconnection to the IXC's network occurs via the LEC's facilities or directly, NCMRS licensees should recover the costs associated with providing the IXC access to the NCMRS provider's network, i.e., terminating the call.

39. The Commission concludes further that CMRS providers should be treated no less favorably than LECs or CAPs in connection with recovery of access charges from IXCs. Arch agrees with the Commission's conclusion and proposes that, in order to prevent unreasonable discrimination against CMRS providers, or any class thereof, such arrangements should be publicly available. Arch proposes, however, that CMRS access recovery arrangements be made publicly available through the filing of contracts with the Commission, pursuant to Section 211 of the Communications Act, as opposed to the filing of access tariffs. Contracts, as opposed to tariffs, would provide the necessary flexibility to CMRS providers in the negotiation of arrangements that will enable such carriers to recover costs associated with IXC access.

IV. APPLICATION OF THE COMMISSION'S PROPOSALS

40. The Commission's proposals relating to compensation for traffic termination should apply to all CMRS providers, including NCMRS providers.^{27/} The Commission has concluded that CMRS providers provide substantially similar services that compete for subscribers. A CMRS provider's ability to compete is dependant upon, inter alia, the rates for the service it provides, which are

^{27/} As indicated above, Arch's Comments relate solely to NCMRS providers.

based, in turn, upon the costs incurred in the provision of that service. Were the Commission to adopt guidelines permitting the recovery of costs of call termination for all CMRS providers except NCMRS providers, NCMRS providers would be placed at a competitive disadvantage vis-a-vis other CMRS providers. The exclusion of NCMRS carriers from any solution adopted by the Commission with respect to termination compensation also would be inconsistent with the Commission's goal of achieving regulatory parity for substantially similar services.^{28/}

V. RESPONSES TO INITIAL REGULATORY FLEXIBILITY ANALYSIS

41. Arch does not have any comments on the Initial Regulatory Flexibility Analysis contained within the NPRM.

VI. OTHER: DISCRIMINATION IN INTERCONNECTION ARRANGEMENTS

42. In connection with Arch's nationwide review of interconnection arrangements, it has discovered that there exist circumstances in which the charges associated with connection to the landline network are dissimilar for NCMRS providers versus other CMRS providers.

43. By way of example, in North Carolina, Sprint/Carolina Telephone ("S/CT") charges paging companies \$24.00 per month for 100 telephone numbers, which is 34

^{28/} CMRS Second Report and Order at para. 13.

times more than the \$7.00 per month for 1000 numbers S/CT charges to cellular carriers. This disparate treatment has been ongoing since at least 1990 and may have cost the paging carriers of North Carolina hundreds of thousands of dollars more than they would have paid at the rate S/CT charges cellular carriers. The wireless service providers of eastern North Carolina have been attempting to renegotiate the terms and conditions of their interconnection agreements with S/CT's parent company for over nine months. S/CT and its parent company are holding paging companies hostage to this unjust rate while the terms and conditions of a more comprehensive LEC-CMRS interconnection agreement are negotiated.

44. Further, LECs historically have imposed certain charges on NCMRS licensees for interconnection for which neither cost support data nor an adequate explanation of the charge's relationship to the LEC's costs has been provided. One example of such charges is the Control Access Register.^{29/} Another example of discrimination includes

^{29/} BellSouth assesses Arch and other wireless service providers a recurring charge of between \$5.00 and \$10.00 per trunk for its "Control Access Register Package." The charge is levied against Type 1, Type 2A, Type 2B, Mobile Service Provider ("MSP") Trunks and MSP Lines when provisioned on a DSI Service. A suitable definition of this charge does not appear in BellSouth's tariffs filed in the states of Alabama, Georgia, Kentucky, Mississippi, South Carolina, Louisiana and Tennessee or in BellSouth's interconnection agreement in North Carolina. Moreover, Arch has been unable to obtain from BellSouth

(continued...)

NYNEX's arrangement pursuant to which it pays cellular carriers for call termination but does not pay paging companies for that same service.^{30/}

45. Arch strongly urges the Commission to adopt a framework to govern interconnection arrangements that prohibits the continuation of such discrimination. The current discrimination places paging companies at a competitive disadvantage with respect to other CMRS providers.

^{29/}(...continued)

appropriate cost data justifying this charge or explaining why this element is priced so inconsistently. The charge varies from state to state (LA - \$0.00; GA - \$5.00; NC - \$6.00; AL - \$6.57; MS and SC - \$7.50; and TN and KY - \$10.00) and does not even appear in BellSouth's Florida tariff. Arch doubts that BellSouth's CAR package charge can be related to similar charges in LEC interstate or intrastate access tariffs.

^{30/} New York Telephone Company, P.S.C. No. 900 -- Telephone.

VII. CONCLUSION

46. The foregoing premises having been duly considered, Arch respectfully requests that the Commission adopt the recommendations set forth above.

Respectfully submitted,

ARCH COMMUNICATIONS GROUP, INC.

By: 

Carl W. Northrop
Christine M. Crowe
Its Attorneys

BRYAN CAVE LLP
700 Thirteenth Street, N.W.
Suite 700
Washington, D.C. 20005-3960
(202) 508-6000

March 4, 1996